

71
REPORT

OF THE

**COMMITTEE ON INLAND NAVIGATION AND INTERNAL
IMPROVEMENT,**

RELATIVE TO

RAIL ROADS AND CANALS.

MR. LEHMAN, CHAIRMAN.

Read in the House of Representatives, February 26, 1829.

Harrisburg,

PRINTED AT THE OFFICE OF THE REPORTER.

1829.

REPORT, &c.

Mr. Lehman, from the committee on inland navigation and internal improvement, to whom were referred the various documents relative to rail roads and canals, made

REPORT:

That the time has arrived when the great work of internal communication has become acceptable to the interests of all classes of the community, and has so far advanced towards completion, and the benefits it will confer are so generally admitted, that arguments in favor of its policy are now superfluous.

Pennsylvania gave birth to the turnpike and canal system in America, and she now perceives the policy of spreading, by means of canals and rail roads, the basis of strength, and unfolding her immense capability of improvement. It may be said that our whole country under the powerful stimulus of free institutions, exhibits the spectacle of twenty-four states striving to augment the mass of industry, wealth and population, and to preserve for their own benefit the largest share of the trade which springs from such increased prosperity. Among the Atlantic states, the maxim is now adopted that not only manufactures and agriculture, but a seaport with an extended home and foreign trade, are among the elements of prosperity. The struggle for commerce kindles a noble spirit of industry and emulation—awakens genius—and by calling forth all the resources of the states, gives strength and greatness to the whole confederacy.

Under the law of last year the state is pledged to form by its own means,

1st. A complete communication between the city of Philadelphia on the Delaware, and the city of Pittsburg on the Ohio, by means of rail roads and canals.

2d. A branch of the canal from the mouth of the Juniata, on the Susquehanna, to the New York state line.

3d. A branch from the Susquehanna to the Bald Eagle, on the West Branch.

4th. A canal from Carpenter's point to the tide-water, on the Delaware.

5th. A navigable feeder for the contemplated canal between Pittsburg and lake Erie.

6th. A rail road from Columbia to the town of York.

The steady and (so far as is consistent with economy of expenditure) the rapid advancement of the entire system of improvement is now the obvious policy of Pennsylvania; and it is the duty of the committee to communicate the to House, the result of their anxious inquiries, in relation to the sum of money which ought to be provided for the present year, and the objects to which the money ought to be applied.

It is proposed in the bill annexed to this report, to vest some discretionary powers in the commissioners, so far as respects the rail roads and canals, which are authorised to be put under contract. No maxim of prudence or economy, it is thought, will be violated, if it is left to their discretion and responsibility, to advance at such places and with as much speed as is compatible with the means within their control, the interest of the commonwealth and the restrictions of the law. It is presumed, that no difference of opinion will now exist in relation to the policy and the true economy of bringing to a speedy completion the line between the Delaware and the Ohio, and also the branches on the Susquehanna and the Delaware. All this has been promised by the law; and, upon the faith of the law, enterprising citizens in every direction, have made arrangements and entered into contracts, with a view of participating in the advantages which such improvements never fail to confer upon an industrious population. So far as respects the great work alluded to, it may be said, that its construction is the settled policy of the state, and what remains for the present and future legislatures, is to secure a careful superintendence and an economical expenditure of the public money.

In addition to the improvements recognised by existing laws as part of the Pennsylvania system, the committee have made provisions for advancing with all practicable speed towards the great canal of the state of Ohio, and also towards lake Erie. The completion of these works is deemed essential to the full usefulness and grandeur of the scheme of improvement. The importance of connecting lake Erie with the Delaware, is illustrated by the rapid increase of the commerce of our inland seas. A few years ago ten vessels were sufficient for the trade of lake Erie, and now there are seven large steam boats and upwards of one hundred coasting vessels. They have also directed active operations to be commenced upon the Monongahela; and if practicable, upon the rail road between Columbia and York, and also between Harrisburg, Carlisle and Chambersburg. These improvements, it is believed, will be productive in the shape of tolls, and are due to the wishes and interests of the fertile counties on the southern border. In the bill, the committee have made provisions for examinations and estimates, with a view of connecting the canal with the river, both at Derrstown, on the West Branch, and at Harrisburg on the Susquehanna.

In framing the bill, the committee have adopted the principle of accommodating all the districts of the state as early as possible. The result may be, that the state will receive tolls at a later pe-

riod, from some parts of the line of communication; but it is obvious, that from other parts the receipt of tolls will be earlier.

The opinion has been advanced, that all the energies of the state ought, in policy, to be concentrated to the main route between the Delaware and the Ohio, and that thereby it may the more speedily be brought to completion. This, however, would infringe the principle of mutual accommodation, which has received the legislative sanction, and is now regarded as essential to the preservation of the public faith. It is also believed that active operations may be carried on in many parts of the state to a certain extent, without retarding in any great degree the accomplishment of the main line. Experience has proved, that in every district labourers may be found who will work in their own neighbourhood, but will not travel to a great distance from their homes. These may be employed in the advancement of interesting parts of the work, without any serious detriment to other parts which may be deemed more important to the general interests of the commonwealth.

Embarked as Pennsylvania is in a system, of which the rich results cannot be fully enjoyed until all the parts are completed, it is the dictate of wisdom and true economy not to stay the hand of improvement, but to complete the whole with all practicable speed.

For the vigorous prosecution of the work, the committee propose to appropriate the sum of 3,200,000 dollars.

If the magnitude of this sum excites apprehension, it will be recollected that the money will be spent within our own limits, and will be an active, moving, diffusive capital; giving employment to our own people, stimulating industry and ingenuity, and producing arts, improvements and inventions. It will in many ways be conducive to prosperity, independent of the advantages the public will derive from the improvements. The cost of the work cannot ultimately be any burden upon the finances of the state, as the income to be derived will reimburse the expense. All the facts in relation to the soil and mineral riches of Pennsylvania, concur to prove that the expenditures to be made will be a judicious investment. The work will pay for itself. It is not necessary to repeat arguments which have heretofore convinced the understandings of the people and of their representatives. Some interest, however, may be excited, by facts recently ascertained in our own country, on which a judgment can be formed of the amount of income to be derived from tolls. The committee are aware that the vast sums invested in turnpike stock have been unproductive, and that the receipts generally have been consumed by repairs. Such, however, will not be the result of the canal system.

The tonnage conveyed on the Schuylkill canal, within the last year, was 105,463 tons, and the tolls and water rents amounted to nearly 100,000 dollars. This work has but recently been finished, and the result has been thus encouraging, although its beneficial influence upon the productive industry of the country, is as yet felt in a very imperfect degree. The Union Canal is also full of promise; though it will not be completed until the ensuing

spring. The delay may be ascribed to the difficulty of carrying canals across a dividing ridge, a difficulty which no where exists on the line of the Pennsylvania canal. An imperfect navigation, however, existed for a few months during the last year; and such is the creative power of a canal upon our industrious population and fine country, that with a few boats 18,000 tons were passed and the tolls paid, amounted to \$26,000. The Lehigh navigation was interrupted during a great part of the past season, by the construction of works for securing an ascending navigation; the company, however, were enabled to bring from the mines 33150 tons of coal. The Erie and Champlain canals have been finished but a short time, and the tolls paid into the New York treasury, already amount to more than three millions of dollars. Last year there was a failure of the crop of wheat, which forms the great staple of that state, the tolls nevertheless were \$833,000. This sum with a sufficient permanent allowance for superintendence and repairs, is adequate to paying the interest on the cost of the works, and leaves a large sum to be applied to the extinction of the debt.

If such are the happy results of the works of improvement above alluded to, what may not reasonably be expected after the completion of the Pennsylvania canal? Wheat will be as abundantly raised in our state as in New York, but coal and iron will be the great staples, and they constitute in all countries the most valuable tonnage for canals.

It cannot reasonably be apprehended that any difficulty will exist in procuring all the money on loan. The dividends on bridge and turnpike stocks, the collateral inheritance tax, and a portion of the auction duties are already set apart as a fund for the regular payment of the interest. All the tolls arising from the canals and rail roads are pledged, and some idea may be formed of the tolls which will spring from the streams of inland trade, by the fact, that the contractor for the great dam on the Kiskeminitas, who has finished his work, and who is a responsible man, offers by petition to pay \$10,000, for the privilege of navigating four boats, toll free, for half a year, from Blairsville to Pittsburg. The Lehigh navigation and coal company, also in their official report, state the interesting fact, that tonnage is already waiting on the Lehigh, sufficient at a moderate rate of toll to produce a handsome income to the state, on the Delaware division of the Pennsylvania canal.

It may truly be observed that each successive year develops new views in relation to the rich treasure Pennsylvania has in coal. A recent memorial from the Lyceum of Natural History in New York states, the amount paid within one year for fuel for domestic purposes and steam boats in the city of New York, at \$2,400,000. Governor Clinton in his last official message remarks, that New York is compelled to resort to the coal of Pennsylvania; and he says the quantity which will be wanted for that state, is estimated at two millions of tons. It has now become obvious that coal will constitute the chief article of fuel, not only in the city and state of

New York, but in many parts of all the states on the seaboard. Coal has become an object of vast national importance, and it will soon be a part of the public policy of many states of the union, to facilitate the means of procuring it from the mines of Pennsylvania. The legislature of Delaware but a few days ago, incorporated a company for the object, as stated in the law, "to furnish a cheap supply of mineral coal to the manufacturers and people of this state, to be derived from the immense stores of this valuable material which abound in the neighbouring state of Pennsylvania." Our state may proudly say, that the bounty of nature has made her mountains the grand repository of this precious mineral, and also of iron; and every ton which is extracted from the mines will be tributary to her wealth and greatness, and will aid in making the Pennsylvania canal more productive in tolls, than any other canal in the United States.

The committee would dwell with emphasis upon the foregoing considerations, because they show the revenue the canals will produce, and the security the public creditor will have, that his interest will be paid and his capital refunded, and the right Pennsylvania has to expect that the loan will be taken either at home or abroad upon favorable terms.

The commissioners of the canal fund state, in their report made a few days ago, that by transferring the estimated balance, which will be in the treasury in 1830, to the canal fund, there will be a sufficiency after defraying all the ordinary expenses, to meet the interest of the present debt, together with the interest which will be incident to the new loan now proposed, of three millions of dollars. It has been suggested, that to satisfy the prudent and the timid, it may be expedient to establish some additional sources of revenue, and the subject is now under the consideration of the finance committee of the House. But it does not appear that there is reasonable ground for believing, that any additional taxation will be necessary.

Public credit rests upon a sure basis in Pennsylvania. Where is the state possessing more resources or more integrity? Our riches in the products of the soil and the mines, and in the acquisitions of personal property, are almost untouched for state purposes. Practical schemes of finance can never be wanting, and the public faith will be pledged to establish sufficient revenue. The ability and patriotism of the people no man can doubt, and a wise government will never sacrifice its character for punctuality and good faith. It is believed that measures may be resorted to for facilitating the sale and transfer of stock, and steps taken for sending stock to Europe, and that it may there be sold to advantage. The committee believe, that in the pursuit of this object, the state may be assisted by some of the existing banks; and that both patriotism and interest will prompt the bank of Pennsylvania or other banks, to afford facilities to the government in obtaining pecuniary aids.

In the contemplation of the financial situation of Pennsylvania, the committee cannot overlook the fact, that from the national

treasury, which is the common property of the people of the United States, five millions might annually be distributed among the states, without embarrassing the national finances, or preventing the speedy extinguishment of the national debt, or interfering with any expedient or just operation of the national government. It is believed that after the lapse of a few years the annual distribution may be ten millions of dollars. The first mentioned sum would entitle Pennsylvania to \$600,000, or the interest on twelve millions of dollars. The last mentioned sum would give the interest on twenty-four millions of dollars. A bill for the accomplishment of this object is now pending before the national legislature; and the house has requested our representatives in congress to promote its adoption. The committee do not allude to this financial resource as of certain reliance; but in conjunction with the funds already set apart and the sure receipt of ample tolls, it holds out the cheering prospect that the noblest monument of genius and power may be accomplished, and the public engagements be met, and the high character of Pennsylvania for good faith be maintained, without additional taxation, and with the certainty that whatever is regarded as odious in our financial system, may soon be expunged.

It is believed that the sale of water power along the line of canal will soon become a financial resource of some importance, and that legal provisions ought to be made for the accomplishment of this object. This, with other interesting matters under consideration, and embracing some objects of improvement, will constitute the subject of another report.

In conclusion, the committee will remark, that the genius of William Penn recognised the policy of navigable communications in Pennsylvania more than half a century before a canal was constructed in his native country; and our predecessors, the inhabitants of the land which he planted, were the first among the members of the American family who run a level or measured waters with a view to canal navigation. It has now become our imperative obligation to keep pace with the march of human improvement. All the states around us are active and circumspect, and seeking not only to unfold their own riches, but to attract to their own territory the commerce of the western states. There is a necessity of exertion, if we are to keep our relative position in the confederacy, or to be lifted to the high station within our reach. Our state is the centre of the United States, and distinguished beyond all others for its mineral wealth. It has the tide of the Delaware on the east, the waters of the Ohio and of the lakes on the west, and is blessed with benignant skies and a prolific soil. Under the influence of a wise legislation, mental and physical improvement will advance hand in hand. The riches of the soil, and of the mines, and of the mind, will be fully explored and developed, and Pennsylvania will be the fairest portion of our happy country.